

115TH CONGRESS  
2D SESSION

# H. R. 6745

To amend the Securities Exchange Act of 1934 to revise the shareholder threshold for registration under such Act for issuers that receive support through certain Federal universal service support mechanisms, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 7, 2018

Mr. DUFFY (for himself and Ms. SINEMA) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Securities Exchange Act of 1934 to revise the shareholder threshold for registration under such Act for issuers that receive support through certain Federal universal service support mechanisms, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Access to Capital Cre-  
5 ates Economic Strength and Supports Rural America  
6 Act” or the “ACCESS Rural America Act”.

1 **SEC. 2. SHAREHOLDER THRESHOLD FOR REGISTRATION**  
2 **OF CERTAIN ISSUERS.**

3 Section 12(g) of the Securities Exchange Act of 1934  
4 (15 U.S.C. 78a et seq.) is amended—

5 (1) in paragraph (1)—

6 (A) in subparagraph (A)(ii), by striking  
7 “and” at the end;

8 (B) in subparagraph (B), by adding “and”  
9 at the end;

10 (C) by inserting after subparagraph (B)  
11 the following:

12 “(C) in the case of an issuer that, during its  
13 previous fiscal year, received support, directly or  
14 through an affiliate, through any Federal universal  
15 service support mechanism established under section  
16 254 of the Communications Act of 1934 and filed  
17 the report described under paragraph (7) with re-  
18 spect to such fiscal year, not later than 120 days  
19 after the last day of its first fiscal year ended after  
20 the effective date of this subsection on which the  
21 issuer has total assets exceeding \$10,000,000 and a  
22 class of equity security (other than an exempted se-  
23 curity) held of record by either—

24 “(i) 2,000 persons, or

25 “(ii) 1,250 persons who are not accredited  
26 investors,”; and

1 (D) by adding at the end the following:

2 “The dollar figures in this paragraph shall be  
3 indexed for inflation every 5 years by the Com-  
4 mission to reflect the change in the Consumer  
5 Price Index for All Urban Consumers published  
6 by the Bureau of Labor Statistics, rounded to  
7 the nearest \$100,000.”; and

8 (2) by adding at the end the following:

9 “(7) REPORT BY UNIVERSAL SERVICE SUPPORT  
10 MECHANISM RECIPIENTS.—

11 “(A) IN GENERAL.—The Commission shall  
12 issue regulations to establish a financial summary  
13 form that may be filed by an issuer that—

14 “(i) during its previous fiscal year, received  
15 support, directly or through an affiliate,  
16 through any Federal universal service support  
17 mechanism established under section 254 of the  
18 Communications Act of 1934; and

19 “(ii) has a class of equity security held of  
20 record by 500 or more persons who are not ac-  
21 credited investors, but less than 1,250 persons  
22 who are not accredited investors.

23 “(B) CONTENTS.—The form described under  
24 subparagraph (A) shall include a summary of the  
25 consolidated balance sheet and the consolidated in-

1       come statement of the issuer, and such other infor-  
2       mation as the Commission determines is necessary  
3       and appropriate in the public interest and for the  
4       protection of investors.”.

5 **SEC. 3. SEC STUDY.**

6       (a) **STUDY.**—After the end of the 3-year period be-  
7       ginning on the date of enactment of this Act, the Securi-  
8       ties and Exchange Commission shall carry out a study  
9       on—

10           (1) the effect of the amendments under section  
11       2; and

12           (2) to what extent those changes have improved  
13       capital formation by the issuers described under sec-  
14       tion 12(g)(1)(C) of the Securities Exchange Act of  
15       1934.

16       (b) **REPORT.**—Not later than the end of the 180-day  
17       period beginning after the end of the 3-year period de-  
18       scribed under subsection (a), the Commission shall issue  
19       a report to the Congress containing—

20           (1) all findings and determinations made in car-  
21       rying out the study required under subsection (a);  
22       and

23           (2) a recommendation as to whether issuers in  
24       other sectors of the economy could also benefit from

- 1 the sort of changes made by the amendments under
- 2 section 2.

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